

Honolulu, Hawaii
February 28, 2014

RE: H.B. No. 1870
H.D. 1

Honorable Joseph M. Souki
Speaker, House of Representatives
Twenty-Seventh State Legislature
Regular Session of 2014
State of Hawaii

Sir:

Your Committee on Finance, to which was referred H.B. No. 1870 entitled:

"A BILL FOR AN ACT RELATING TO TAXATION,"

begs leave to report as follows:

The purpose of this measure is to establish a nonrefundable income tax credit for taxpayers who purchase residential backup generators.

The Department of Taxation and the Tax Foundation of Hawaii submitted comments on the measure.

Your Committee finds that this measure will benefit taxpayers by mitigating the cost of purchasing a generator to provide electricity for their homes during an emergency.

Your Committee has amended this measure by:

(1) Specifying that the tax credit:

(A) Can only be claimed once per taxpayer; and

(B) Shall not include:

(i) The costs of installation or prefatory work required for installation of a residential backup generator; or




(ii) Any costs for which another credit is claimed;
and

(2) Changing the effective date to July 1, 2030, to
facilitate further discussion on the measure.

As affirmed by the record of votes of the members of your Committee on Finance that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1870, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1870, H.D. 1, and be placed on the calendar for Third Reading.

Respectfully submitted on
behalf of the members of the
Committee on Finance,



SYLVIA LUXE, Chair



HSCR 684.14

| Bill/Resolution No.: HB 1870 | Committee Referral: FIN | Date: 2/12/2014 | | |
|--|-----------------------------------|---------------------------|------|---------|
| <input type="checkbox"/> The committee is reconsidering its previous decision on the measure. | | | | |
| The recommendation is to: <input type="checkbox"/> Pass, unamended (as is) <input checked="" type="checkbox"/> Pass, with amendments (HD) <input type="checkbox"/> Hold <input type="checkbox"/> Pass short form bill with HD to recommit for future public hearing (recommit) | | | | |
| FIN Members | Ayes | Ayes (WR) | Nays | Excused |
| 1. LUKE, Sylvia (C) | / | | | |
| 2. NISHIMOTO, Scott Y. (VC) | / | | | |
| 3. JOHANSON, Aaron Ling (VC) | / | | | |
| 4. CULLEN, Ty J.K. | / | | | |
| 5. HASHEM, Mark J. | / | | | |
| 6. ING, Kaniela | / | | | |
| 7. JORDAN, Jo | / | | | |
| 8. KOBAYASHI, Bertrand | / | | | |
| 9. LOWEN, Nicole E. | / | | | |
| 10. MORIKAWA, Dee | / | | | |
| 11. ONISHI, Richard H.K. | / | | | |
| 12. TAKAYAMA, Gregg | / | | | |
| 13. TOKIOKA, James Kunane | / | | | |
| 14. WOODSON, Justin H. | / | | | |
| 15. YAMASHITA, Kyle T. | / | | | |
| 16. FUKUMOTO, Beth | / | | | |
| 17. WARD, Gene | / | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| TOTAL (17) | 17 | | | |
| The recommendation is: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted If joint referral, _____ did not support recommendation. committee acronym(s) | | | | |
| Vice Chair's or designee's signature: _____ | | | | |
| Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO | | | | |